



CITY OF HAYWARD

AGENDA REPORT

AGENDA DATE 01/19/98
AGENDA ITEM _____
WORK SESSION ITEM WS#2

TO: Mayor and City Council

FROM: Director of Community and Economic Development

SUBJECT: Residential Rental Inspection Program

RECOMMENDATION:

It is recommended that the City Council review and comment on this report.

BACKGROUND:

Overview

The Residential Rental Inspection Program is part of the City's overall effort to safeguard the stock of decent, safe and sanitary rental housing units and motel and hotel rooms by eliminating substandard conditions, and to protect tenants and visitors. The program consists of three facets: mandatory rental inspections; inspections in response to a tenant allegation about substandard housing; and "decontrol" inspections, which enable an owner to withdraw a unit(s) from the Rent Stabilization Program.

The ordinance establishing the mandatory inspection program, which accounts for about 85% of inspections made (see Exhibit A), defines a "rental housing unit as any residential dwelling in a single structure or in any group of attached or detached structures containing one or more dwelling units on the same parcel...." Thus, single family detached houses, condominiums and townhouses, apartments and duplexes are subject to inspection, including Section 8 rental units.

The mandatory inspection program went into effect on February 14, 1989, and only parcels containing three or more units were subject to inspection. On November 9, 1993, after completion of a survey of the condition of single family rental houses, the program was modified to include single family detached houses, duplexes and condominiums and Section 8 rentals. This action was taken for two reasons: (a) the rental of single family homes and duplexes is a business just as is an apartment complex, albeit a smaller business; (b) the City had a very sizable number of single family rental units (approximately 4,300 or 22% of all detached single family homes and approximately 1,500 or 48% of all condominiums and

townhouses – 1990 Census Data see Exhibit B). Therefore it was, and is, important to ensure these units meet code standards as required of an owner of three or more units.

Pursuant to Council's direction, the program is targeted at rental units more than ten years old. Such rental units are systematically inspected from census tract to census tract to ensure that they meet **minimum** Housing and Building Code standards. The program is not designed to require improvements to upgrade the overall quality of a unit, or add amenities or improve the appearance of a unit. Units need only meet the standards in effect at the time of their construction. However, any work done after the original construction in violation of the Codes, or new construction, must satisfy current requirements.

By moving through the City geographically, the program avoids reinspecting any given unit until all other rental units covered by the program have been inspected. Units are inspected about once every six years depending on the number, size, type and condition of the units encountered as the program cycle passes through each census tract of the City. Because of these variations, both the number of units inspected and fees billed can vary substantially from year to year. Therefore, to get a reasonably accurate picture of the number of units inspected annually, it is necessary to look at a longer period than one year (i.e., three years), in order to get a sense of what is a typical year. Exhibit B contains a compilation of the work completed during the 1995-97 calendar years, whereby an average of 2,584 units were inspected each year, 2,363 under the mandatory inspection program and 221 in response to complaints and decontrol requests.

In 1993, prior to initiating inspection of duplex and single family units, it was estimated that approximately 30% of single family dwellings and 50% of duplexes and 70% of multi-family units (based on experience at the time) would have code violations.

Data from January 1, 1996 to date reveals that 58% of single family homes/condominiums have violations and 56% of duplexes and multi-family units. The difference between the earlier estimates and actual experience provides further support for Council's decision to inspect single family rentals. Staff believes that the higher than anticipated level of code violations found in single family rentals is due to several factors including: many owners are not experienced or trained to manage a rental unit and/or deal with difficult tenants; many suffer from lack of resources to make repairs; some homes were previously occupied by the owners and their knowledge of codes is limited or non-existent; some owners live out of the area and neglect to visit their property and keep it up.

On the other hand, the reduced number of multi-family units found to have violations since 1993 is certainly a positive sign the program is working, and is likely due to the fact these properties have now been inspected a second time, and the owners/managers are doing a better job at upkeep. Not only are there fewer units with violations, those units cited in 1997 have 29% fewer deficiencies than those in 1993.

Staffing Level

Presently, Rental Inspection staff consists of (a) four Housing Inspectors; and (b) fifty percent of a secretary's time. Each inspector handles mandatory, complaint and decontrol inspections. In addition to their inspection duties, inspectors also provide assistance to property owners regarding the code compliance process, e.g., suggesting ways to correct violations or prevent future damage. Analysis of billings for the period of 1995-1997 shows that cost recovery about 60 percent. This compares favorably with the fact that only about 57% of units inspected have violations and generate charges and inspection fees have not been raised since 1993. Staff is looking into measures to reach the program's goal of full cost recovery, and recommendations will be developed for Council's consideration as part of the budget process.

Fees/Penalty Charges

The current fee schedule (see Exhibit C) mandates a charge of \$100 for the original inspection (survey) of a single family home and \$100 for subsequent reinspections. If no violations are found at the time of the survey, there is no charge for the survey. For parcels containing two or more units, the cost of the original inspection (survey) is \$100 plus \$40 per unit in which a violation is found. Subsequent reinspection charges are \$100 plus \$40 per unit in which a violation was originally discovered. As with single family units, there is no charge if no violations were observed. In cases where there is insufficient progress in correcting violations, penalty charges of \$100-300 per reinspection may be imposed. The charge for decontrol inspections, made at the request of the landlord, is \$200 per unit and includes one reinspection.

Other Jurisdictions

Staff contacted the League of California Cities and some local jurisdictions to inquire which, if any, other jurisdictions have a mandatory inspection program. Based on the information we received, few cities do, and none have ordinances as comprehensive as Hayward's. As one would expect, it is difficult to compare regulations as the type of units inspected, inspection fees, program goals and administrative procedures vary considerably.

The most significant finding resulting from this survey is that of the Bay Area cities for which we have information (Mt. View, Oakland, San Jose, Berkeley) only Hayward includes single family homes in their mandatory inspection program. All these cities, except for Oakland, which does not have a mandatory inspection program, require inspection of rental properties with three or more units. All cities surveyed also respond to tenant complaints.

DISCUSSION:

As would be expected, a mandatory code compliance inspection program that requires, obtaining permits and paying fees is upsetting to some property owners, particularly owners of single family rentals. Nevertheless, the overwhelming majority of owners (single and multi-family) are cooperative and correct their code violations within a reasonable time. Experience indicates the level of cooperation increases if one has had a prior inspection.

While all reasonable efforts are made to allow sufficient time to make corrections and accommodate rescheduling requests, explain the reasons for the program, offer advice in correcting violations, and provide a checklist of potential violations to assist owners in making corrections, complaints are received. Though they are few in number, compared to the number of properties inspected (less than ten percent), they provide useful input in on-going monitoring of the program to determine what modifications in procedures, fees, etc., would benefit the individual property owner, the program or both.

The types of complaints received (aside from objections to the program itself) most frequently fall into three categories: (a) violations cited are not important, i.e., they are "picky" or maintenance items; (b) their inspector cites a violation other inspectors do not or adds an item to the correction list after the survey was made; and (c) charging a reinspection fee in cases where all the violations have been corrected by the first reinspection is unfair.

With regard to the concerns of some about citing what they believe are unimportant items, while they may not be imminent hazards, they address health or safety concerns. The most common examples of items which raise objections include: (a) requiring replacement of under sink plastic pipe drain assemblies with metallic piping (City code requirement); (b) requiring exit windows and doors to be repaired to operate with minimum effort (to minimize chance of difficulty in exiting in case of fire); and (c) requiring taking out a building permit for a patio cover that was installed by a prior owner without benefit of a permit (Building Code requirement).

In an effort to minimize marginal or incorrect calls, checklists are used, and staff meetings are periodically held with the Building Official to review whether a situation not covered by the checklist should or should not be called. However, because situations in the field can vary considerably and judgements have to be made (e.g., repair vs. replace a cracked sink) occasionally a call is made that is inappropriate. When such an instance comes to light, the individual circumstance is reviewed by the program supervisor and the citation is corrected.

It should be noted that in order to enforce the program goal of conserving decent and safe rental units, it is necessary to cite work done without permit, obviously dangerous structural failures, hazardous wiring, and other serious violations. It is also necessary to prevent future deterioration to forestall these kinds of problems from arising or worsening. Thus, wet flooring needs to be repaired, cracked sinks or toilets need to be replaced, leaking pipes fixed, damaged walls repaired, and broken stove burners fixed to provide a minimally acceptable livable environment, and reduce the chance of serious future problems.

Consistency of calls among inspectors is a very important objective. To minimize inconsistency, inspectors are instructed to utilize the checklist, and to check with peers and supervisors regarding citing a defect that is not commonly cited. Staff meetings address this subject and inspectors also attend classes on code enforcement to help improve their code knowledge. It is a policy of the program that violations not be added to the original correction list unless it is discovered that a serious hazard was overlooked, e.g., inadequate electrical service or failing structural members.

The third most frequent complaint, charging a reinspection fee when all violations have been corrected by the first reinspection, is a policy matter. To not charge or charge less for the first reinspection would reduce revenues somewhat, but it would serve as an incentive to make all the corrections right away.

In addition to enhancing the quality and consistency of inspections and on-going efforts to improve customer service, increasing the program's effectiveness/production is an important goal. To make the inspection process more user friendly, revisions are being made to the checklist sent to property owners. To improve effectiveness, staff is evaluating changing the scheduling procedure. One change being considered is to shorten the time between a missed appointment and the rescheduled inspection date to two weeks whenever possible (vs. 3-4 weeks). Another change, one which could have a much greater impact, is to increase the number of inspection appointments from four to five per day per inspector.

This latter modification is aimed at reducing inefficiency; particularly, the unproductive use of staff time that occurs when an inspector goes to a site and can not gain entry. Thus, the time set aside for the inspection is wasted because one cannot use the time to make another inspection, since inspections must be noticed in advance.

Although this change potentially could increase the number of inspections twenty percent on some days, it also would make it more difficult to cover the inspections of an ill inspector in a timely manner, because of the reduced time available between appointments. This could result in customer complaints. Another impact of this change is that it would require additional clerical support to do the scheduling and bill processing for the program on time.

Consideration of Fee Changes

Staff is examining the concept of a fixed fee for conducting a survey and one reinspection as an incentive to those property owners who correct all their violations by the initial reinspection date (no extensions). Although, it would have a limited but unknown impact on cost recovery, it would help increase the acceptance of the program. Information about the potential effect of such a change will be forwarded to Council for review as part of the budget process.

A second proposal, charging a penalty fee for a missed inspection (often done to avoid or delay compliance), is a disincentive designed to reduce the number of instances when an inspector has no access to a unit (initial survey or reinspection). However, because sometimes people have a legitimate reason why access wasn't made available, it is recommended to charge a fee commencing with the second missed date in the survey phase and in the inspection process. Details of this proposal are described in Exhibit F. If Council concludes this charge has merit, staff will return with modifications for Council's consideration when it reviews the budget and Master Fee Schedule.

Summary

Staff believes that the program is functioning well. The fees are in line with the proportion of violations, and the vast majority of property owners cooperatively comply with the program in a timely manner. Some minor changes in procedure and fees are warranted to help improve the program's effectiveness and fairness by providing an incentive to those who quickly correct their code violations and penalizing those who delay compliance.

Prepared by:



Marvin Carash

Development Inspection Services Administrator

Recommended by:



for Sylvia Ehrental
Director of Community & Economic Development

Approved by:



Jesús Armas, City Manager

Attachments: Exhibit A - Rental Inspection Ordinance
Exhibit B - Housing Type and Tenure - 1996
Exhibit C - Inspection Statistics
Exhibit D - Fee Schedule
Exhibit E - Code Violation List
Exhibit F - Rental Inspection Procedures
Exhibit G - Proposed Fee Modifications

EXHIBIT A

ARTICLE 5

RESIDENTIAL RENTAL INSPECTION

(Added by Ord. 82-028 C.S., adopted December 7, 1982 and amended by Ord. 89-006 C.S., adopted February 14, 1989)

SEC. 9-5.101 TITLE. These regulations shall be known as the Residential Rental Inspection Ordinance of the City of Hayward, may be cited as such, and will be referred to herein as "this code."

SEC. 9-5.102 PURPOSE. The purpose of this code is to safeguard the stock of decent, safe, and sanitary rental housing units within the City and to protect persons entering or residing in them by providing for inspection of rental housing units and the common areas when certain indicators show that violations of the Hayward Housing and Building Codes may exist in a unit or pursuant to a systematic area-wide inspection program.

SEC. 9-5.103 SCOPE. The provisions of this code shall apply to all rental housing units and to all hotel and motel units as herein defined.
(Amended by Ord. 93-25, adopted November 9, 1993)

DEFINITIONS

SEC. 9-5.201 GENERAL. For the purpose of this code, certain words, phrases, and terms, and their derivatives shall be construed as specified herein. Words, phrases, and terms used in this code, but not specifically defined herein, shall have the meanings stated therefor in the Building Code and the Housing Code of the City of Hayward with the Building Code controlling should there be a conflict. Where not defined in this code or in the Building or Housing Codes of the City of Hayward, such words, phrases, and terms shall have the meaning generally prescribed by dictionary definition.

SEC. 9-5.202 HOTEL AND MOTEL. A hotel or motel of common ownership on a single parcel is any structure or group of attached or detached structures containing six or more guest rooms intended or designed to be used, or which are used, rented or leased to be occupied, or which are occupied for sleeping purposes by guests. For the purpose of this definition, common ownership shall be deemed to exist whenever a single individual or entity has any kind of ownership interest whether as an individual, partner, joint venturer, stock owner, or some other capacity.

SEC. 9-5.203 IMMINENT HAZARD. An imminent hazard shall include the following conditions or defects:

(1) Inadequate Sanitation

- (a) Lack of or inoperative water closet.
- (b) Lack of connection to or blockage of required sewage disposal.
- (c) Infestation by insects, vermin, or rodents.
- (d) Broken and leaking sewer lines.
- (e) Lack of or inoperative kitchen sinks.
- (f) Lack of potable water supply.
- (g) A water system that is leaking or has an illegal cross connection installed.

(2) Structural Hazards

- (a) Whenever the stress in any flooring or floor support, members of walls, partitions, ceilings, roofs, roof supports, or portion thereof, due to all dead and live loads, is more than one and one-half times the working stress or stresses allowed in the Uniform Building Code for new buildings of similar structure, purpose, or locations.

- (b) Whenever any portion of a building or structure has been damaged by fire, earthquake, wind, or by any other cause, to such an extent that the structural strength or stability thereof is materially less than it was before such catastrophe and is less than the minimum requirements set forth in the preceding paragraph.
 - (c) Whenever any portion, member, or appurtenance of a building or structure is likely to fail or to collapse and thereby injure persons or damage property.
 - (d) Whenever any portion of a building or structure or any member, appurtenance, or ornamentation on the exterior thereof is not of sufficient strength or stability, or is not so anchored, attached, or fastened in place so as to be capable of resisting a wind pressure of one-half of that specified in the Uniform Building Code Table #23-F.
 - (e) Whenever any portion of a building or structure has wracked, warped, buckled, or settled to such an extent that walls or other structural members have materially less resistance to winds or earthquakes than is required in the case of similar construction.
 - (f) Whenever the exterior walls or other vertical structural members list, lean, or buckle to such an extent that a plumb line passing through the center of gravity does not fall inside the middle one-third of the base.
 - (g) Whenever the building or structure shows 33 percent or more damage or deterioration of its supporting member or members, or 50 percent damage or deterioration of its nonsupporting members, enclosing or outside walls or coverings, or the removal, movement, or instability of any portion of the ground or foundation necessary for support of the building or structure.
- (3) Electrical Hazards. All wiring not in conformance with the applicable laws in effect at the time of installation or which has not been maintained in good condition, or which is not being used in a safe manner including but not limited to:
- (a) Uninsulated or exposed wires.
 - (b) Overloaded electrical circuits.
 - (c) Faulty light fixtures, switches, or plugs.
 - (d) Undergrounded electrical convenience outlets in kitchen, bath, laundry room, or in any other interior area.

- (e) Service switches which have broken or deteriorated to the extent that they cannot carry their current load with safety.
- (f) Broken or detached main electrical ground.

(4) Hazardous Mechanical Equipment.

- (a) Leaking gas lines or meters whether exterior or interior.
- (b) Leaking gas appliances.
- (c) Improperly vented gas appliances, stoves, furnaces, or water heaters.
- (d) Lack of or inadequate heating facilities.
- (e) Improperly installed or defective heaters or stoves including but not limited to those:
 - (i) Installed too close to combustible surfaces;
 - (ii) Without gas shut-off valves;
 - (iii) Located in a sleeping room or bathroom;
 - (iv) That are unprotected or unvented one-flame heaters;
 - (v) Water heaters and boilers that lack a pressure relief device.

(5) Fire Hazard. Any building, structure, or portion thereof, device, apparatus, equipment, combustible waste, vegetation, or condition which could cause a fire or explosion or provide a ready fuel to augment the spread and intensity of fire or explosion arising from any cause, including but not limited to:

- (a) Excessive or improper use and storage of flammable liquids.
- (b) Storage of combustibles in furnace or hot water heater rooms.
- (c) Cracked or broken fireplace, fire box, or chimney.
- (d) Use of hot plate for cooking in nonconformance to Title 25, Section 17921.4, of the California Code of Regulations.

- (6) Improper Occupancy. Whenever, for any reason, the building or structure, or any portion thereof, is manifestly unsafe for the purpose for which it is being used, such as, but not limited to paint spraying, welding, and use of flammable liquids in residential or accessory buildings.
- (7) Other. Any other Building or Housing Code violation which constitutes a threat to health, life, or safety.

SEC. 9-5.204 RENTAL HOUSING UNIT. A rental housing unit is any residential dwelling in a single structure, or in a group of attached or detached structures containing one or more such dwelling units on the same parcel of land under common ownership that (a) contains one or more rooms with a single kitchen designed for living and sleeping purposes as an independent housekeeping unit, and (b) is occupied or intended to be occupied on a rental basis. For the purposes of this section, the following types of dwelling units or facilities are not considered rental housing units:

- (a) Accommodations in any hospital, extended care facility, convalescent home, nonprofit home for the aged, or dormitory that is owned and operated by an educational institution.
- (b) Accommodations in a nonprofit cooperative that is owned, occupied, and controlled by a majority of the residents.

For the purpose of this section, common ownership shall be deemed to exist whenever a single individual or entity has any kind of ownership interest whether as an individual, partner, joint venturer, stock owner, or some other capacity.
(Amended by Ord. 93-25, adopted November 9, 1993)

GENERAL RESPONSIBILITIES

SEC. 9-5.301 ADMINISTRATION. The Development Inspection Services Administrator, the City Building Official, or their designees, hereinafter known as the enforcement official, are authorized to administer the provisions of this code.
(Amended by Ordinance 96-07, adopted February 13, 1996)

SEC. 9-5.302 CAUSE FOR INSPECTIONS. A rental housing unit, motel, or hotel shall be inspected for violations of the Building and Housing Codes of the City of Hayward as part of the City of Hayward mandatory inspection program or whenever information from the following sources indicates that a pertinent code violation may exist therein:

- (a) Complaints from the occupant of a rental housing unit or motel or hotel that a code violation may exist.
- (b) Records maintained by the enforcement official which were established during previous apartment inspection programs and which reflect both the prior existence of code violations and the absence of correction of such violations.
- (c) Direct referrals for inspection from other City officials with code enforcement responsibility, from officials of a federal, state, or local agency, or from officials with a public or private utility.
- (d) Reports that the exterior condition of a rental housing unit, motel, or hotel reflects the existence of code violations.

(Amended by Ordinance 96-07, adopted February 13, 1996)

SEC. 9-5.303 MANDATORY INSPECTION PROGRAM. The Mandatory Inspection Program is a part of the City of Hayward overall effort to encourage conservation of existing rental housing units, motels, and hotels. Owners of these types of structures will be required to bring these units to Housing and Building Code standards. Owners and managers are hereby requested to allow for the inspection of these units. If an owner or manager refuses to permit an inspection, the enforcement official is authorized to procure a search warrant.

The City of Hayward hereby institutes a systematic code enforcement program that will ensure that all residential units, hotels, and motels are inspected over time.
(Amended by Ordinance 96-07, adopted February 13, 1996)

SEC. 9-5.304 AREAS OF CONCENTRATION FOR MANDATORY INSPECTION PROGRAM. Areas of concentration for inspections will be selected based upon the following criteria: age of the housing stock; condition of the housing stock; history and recency of past inspection activity; housing type; and coordination with other City programs, including but not limited to the Community Preservation and Improvement Program. The City Council shall select areas of concentration based upon the recommendation of the City Manager. The area of concentration selected by the City Council shall be adopted from time to time by resolution of such Council.

SEC. 9-5.305 ENTRY. Upon presentation of proper credentials the enforcement official, after having obtained the consent of the owner or occupant, may enter any rental housing unit or motel or hotel at reasonable times during daylight hours to perform any inspection required by this code.

Except in emergency situations the enforcement official shall not enter any rental housing unit or motel or hotel without the consent of the owner or occupant thereof unless an inspection warrant therefor has been obtained and issued in the manner provided by the Code of Civil Procedure of the State of California.

(Amended by Ordinance 96-07, adopted February 13, 1996)

SEC. 9-5.306 ADMINISTRATIVE REVIEW OF INSPECTION REPORT.

Owners may avail themselves of a review of non-imminent hazard code violations identified by an inspector pursuant to this code by filing a written request for review with the enforcement official within 10 days of the inspection report. The review is supplemental to any other appellate rights an owner may have under this code or other law.

(Amended by Ordinance 96-07, adopted February 13, 1996)

SEC. 9-5.307 ENFORCEMENT: REPORT TO FRANCHISE TAX BOARD.

The enforcement official shall take appropriate action to cause the correction, repair, or abatement of violations that are found as a result of any inspection required by this code. In addition to employing the applicable enforcement measures that are or may hereafter be provided by law, including but not limited to the enforcement provisions of the Building Code of the City of Hayward, the Housing Code of the City of Hayward, and Article 3, Chapter 9 of the Hayward Municipal Code, the enforcement official shall comply with the provisions of sections 17299(c) and 24436.5(c) of the Revenue and Taxation Code of the State of California.

(Amended by Ordinance 96-07, adopted February 13, 1996)

SEC. 9-5.308 NOTICES. The first notice informing a property owner of a mandatory inspection shall be by certified mail, return receipt requested. All other notices shall be by first class mail or certified mail.

(Added by Ord. 93-25, adopted November 9, 1993)

FEES/PENALTY CHARGES

SEC. 9-5.401 INSPECTION FEES/PENALTY CHARGES. The fees or penalty charges for any inspection or reinspection performed pursuant to the provisions of this code shall be established from time to time by resolution of the City Council. Payment of such fees shall be made by owner of the rental housing unit or hotel or motel upon demand by the City. (Amended by Ordinance 96-07, adopted February 13, 1996)

RECOVERY OF FEES/PENALTY CHARGES

SEC. 9-5.501 REPORT ON FEES/PENALTY CHARGES. The enforcement official shall keep an itemized account of the fees and penalty charges incurred in administering the provisions of this code and submit a billing therefor to the owner of the rental housing unit, motel, or hotel as the owner's name and address appear on the last equalized assessment roll of Alameda County or as is known to the enforcement official. Once a year the enforcement official shall prepare and file with the City Clerk a report specifying the date and nature of the inspections performed, the amount of unpaid fees and penalty charges imposed in the prior year, and the names and addresses of the owner of the rental housing unit or hotel or motel, and any mortgagee or beneficiary under a deed of trust of the property, as such names and addresses appear on the last equalized assessment roll of Alameda County or as known to the enforcement official. (Amended by Ordinance 96-07, adopted February 13, 1996)

SEC. 9-5.502 NOTICE OF HEARING ON REPORT. Upon receipt of the report of the enforcement official the City Clerk shall fix a time, date, and place for hearing the report and any protests or objections thereto. The City Clerk shall cause notice of the hearing to be published once in a newspaper of general circulation in the City, and served by certified mail, postage prepaid, addressed to the owner of the property as the owner's name and address appear on the last equalized assessment roll of Alameda County, if such so appear, or as known to the City Clerk. Notice shall also be given by certified or registered mail to any other person noted in the report as the name and address of such person appears on the last equalized assessment roll of Alameda County, if such so appear or as known to the City Clerk. Such notice shall be given at least ten days prior to the date set for hearing and shall specify the day, hour, and place when the City Council will hear and pass upon the enforcement official's report, together with any objections or protests which may be filed by any person interested in or affected by the proposed fee. (Amended by Ordinance 96-07, adopted February 13, 1996)

SEC. 9-5.503 HEARING ON REPORT. At the time and place of said hearing, the City Council shall hear and pass upon the report of the enforcement official together with any objections or protests thereto. The Council may make such revision, correction, or modification in the report or the fees charged as it may deem just; and when the Council is satisfied with the correctness of the fees charged, the report (as submitted or as revised, corrected, or modified) together with the fees charged shall be confirmed or rejected. The decision of the City Council on the report and the fees charged, and on all protests or objections, shall be final and conclusive. (Amended by Ordinance 96-07, adopted February 13, 1996)

SEC. 9-5.504 COLLECTION ON TAX ROLL. After confirmation of the fees charged, the same shall become a special assessment against the property affected.

A copy of the assessment shall be given to the City Finance Director, who may receive payment thereon until a list of unpaid assessments shall have been sent annually to the County Auditor for effecting collection on the tax roll at the time and in the manner of ordinary municipal taxes. The descriptions of the property reported shall be those used for the same property on the County Assessor's map books for the current year. All laws and ordinances applicable to the levy, collection, and enforcement of City taxes are hereby made applicable to the assessment hereby imposed, and the lien of said assessment shall have priority of the taxes with which it is collected.

SEC. 9-5.601 ANNUAL REPORT OF ENFORCEMENT OFFICIAL. The enforcement official shall prepare a report each year concerning the administration of this code. The annual report shall describe the number of inspections performed, the cause for each inspection, the nature of any violations observed, the corrections made, enforcement measures taken, and the status of all billings for fees that have been made. The enforcement official shall submit the annual report to the City Manager each calendar year at such a time that it may be submitted to the City Council with the proposed City budget for the following fiscal year.

(Amended by Ordinance 96-07, adopted February 13, 1996)

EXHIBIT B

City of HAYWARD HOUSING TYPE AND TENURE: 1990

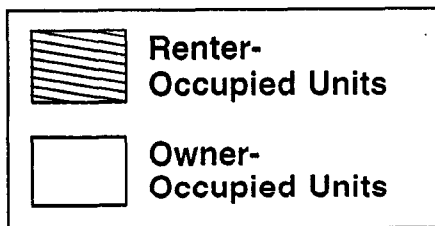
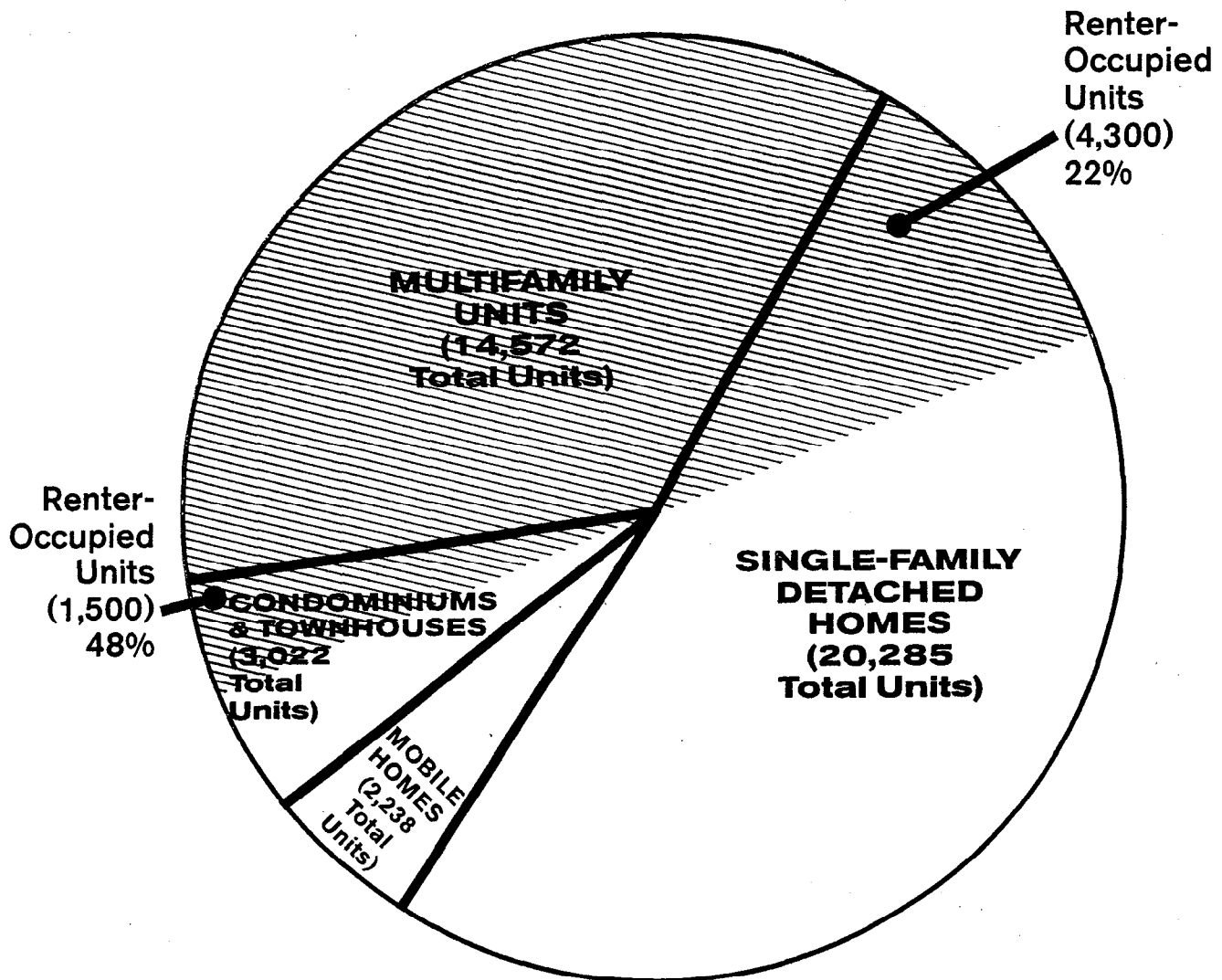


EXHIBIT C

RESIDENTIAL RENTAL INSPECTION STATISTICS 1995-1997 ANNUAL AVERAGE CASELOAD

	ANNUAL AVERAGE
TOTAL NUMBER OF BUILDINGS INSPECTED	964
BUILDING (STRUCTURAL) VIOLATIONS ¹	2,724
BUILDING CORRECTIONS ¹	2,281
BUILDINGS CLEARED ²	821
TOTAL NUMBER OF UNITS INSPECTED	2,584
• Mandatory	2,363
• Complaint	120
• Decontrol	101
UNIT VIOLATIONS	6,485
• Serious hazards, e.g., inadequate sanitation major structural, electrical, fire or mechanical violations; improper occupancy	1,390
• All others	5,096
UNIT CORRECTIONS ¹	4,771
UNITS CLEARED	2,216
SPECIAL ENFORCEMENT MEASURES	20
• Notices Of Non-compliance filed	3
• Notices and Orders filed (Abatements)	17

¹ Excluding decontrol units

² Mandatory inspections only

EXHIBIT D

RENTAL INSPECTION PROGRAM FEE SCHEDULE

Effective December 9, 1993 (Resolution 93-163)

Rental Housing Unit, Hotel and Motel Inspections

a. Inspection, report enforcement actions pursuant to Hayward
Municipal Code, Chapter 9, Article 5

- (1) Initial inspection (survey) of a parcel containing two
or more rental housing units, hotel or motel

\$100 per parcel + \$40 per unit
or motel or hotel room
containing a code violation

Reinspections

First two reinspections

\$100 per parcel + \$40 per unit
or motel or hotel room found to
contain a code violation during
the prior inspection

Third reinspections

Same as above + \$100 penalty

Fourth reinspection

Same as above + \$200 penalty

Fifth and subsequent reinspections

Same as above + \$300 penalty

- (2) Initial inspection (survey) of a parcel
containing one single family rental
housing unit (including a condominium or
other common-wall dwelling unit, e.g.,
townhouse) or one rental housing unit in
one duplex

\$100

Concurrent inspection of two or more single-family
dwelling units owned by the same owner in the same
development

\$100 + \$40 per unit found to
contain a code violation during
the prior inspection

Reinspections

First two reinspections

\$100 each

Third reinspection

\$100 + \$100 penalty

Fourth reinspection

\$100 + \$200 penalty

Fifth and subsequent reinspections

\$100 + \$300 penalty

Concurrent reinspections of two or more single-
family dwellings units owned by the same
development

\$100 + \$40 per unit containing
a violation

b. Inspection for rent control deregulation pursuant to Ordinance
No. 83-023, as amended

- (1) Initial inspection (survey) and one reinspection
(2) Concurrent initial inspection and one reinspection
(3) Additional nonconcurrent reinspections

\$200 per unit

\$200 for first unit + \$40 for
each additional unit

\$100 per unit

EXHIBIT E

MANDATORY RENTAL INSPECTION PROCEDURES

Initial Inspection (Survey)

1. Lists of rentals obtained from computer database.
2. Letter sent to owner notifying him date and time of inspection and name of inspector.
3. List of common code violations and fee schedule included with notification.
4. Inspection made and information about the program, violations and corrective work discussed with the owner (if present).
5. If no violations found, file is closed and there is no charge for inspection.

First Reinspection

1. Progress inspection made, if the violations are corrected, file is closed. If not, a new reinspection date is set.
2. Owner billed for progress check.
3. Inspector researches zoning violations/code requirements/permit history.
4. Violation list entered into computer and copy sent to owner with reinspection date.
5. Owner billed for reinspection.

Second Reinspection

1. Progress reinspection made; if the violations are corrected, file is closed. If not, a new reinspection date is set.
2. Owner billed for progress check.

Third or Subsequent Reinspection

1. Progress inspection made, if the violations are corrected, file is closed. If not, a new reinspection date is set.
2. Owner billed for progress check.
3. If violations are not corrected, matter is discussed with the owner or his or her representative and/or a letter is sent.
4. Owner is billed for inspection including penalty fee.

Special Compliance Measures

1. If substantial progress has not been made in correcting serious code deficiencies, the Building Official may issue a Notice and Order declaring the building to be substandard and direct the owner to complete the corrections. If the Order is not appealed, a Certificate of Substandard Housing is recorded at the Alameda County Recorder's Office.

2. Unless the Order is appealed the premises may be boarded up or demolished if necessary.
3. When the building is repaired, the City recinds the Certificate of Substandard Housing.
4. If the Order is appealed, a hearing is scheduled before the Building Appeals Board, who after conducting a hearing, may uphold, modify or reverse the decision of the Building Official. The decision of the Board is final.
5. If the Order is upheld, the building may be boarded-up or demolished. The Certificate of Substandard Housing remains on the public record until the corrective work is made.

EXHIBIT F
CITY OF HAYWARD
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
RENTAL INSPECTION PROGRAM

Please Note: Inspection for code compliance is based on the Building, Housing, Mechanical, Plumbing and Electrical Code in effect at the time of construction or subsequent additions or repairs. For your convenience, the following is a list of the most common violations found during past inspections. However, should other violations of the above codes be discovered they will also be cited.

LIST OF COMMON CODE VIOLATIONS/CORRECTIVE MEASURES

STRUCTURAL/GENERAL

- 1) Reskin/replace front/rear door.
- 2) Replace gutter/downspout, galvanize or aluminum required.
- 3) Trim defective; renail and caulk.
- 4) Exterior front/rear light missing globe; replace.
- 5) Unit, building or structure address number missing; replace.
- 6) Entry door lacks weather-stripping; install.
- 7) Exterior wood or trim flaking or peeling to the extent weather protection is compromised; repaint.
- 8) Underfloor vents defective or missing; replace screens.
- 9) Exterior stairways, treads or railings defective; repair or replace.
- 10) Balcony support posts loose or deck or posts deteriorated or cracked; repair, replace or secure.
- 11) Roof substantially deteriorated; replace. Building permit required.
- 12) Circuit breaker tie bar/dead front and/or door cover missing; replace.
- 13) Substantial holes in driveway and/or parking area; repair with asphaltic concrete (black top) or concrete.
- 14) Ungrounded electrical outlets require two prong receptacles.
- 15) Exterior front/rear light defective; rewire, electrical permit required.
- 16) Exterior electrical receptacle not grounded; ground or install GFCI in outlet.
- 17) Deteriorated walls or siding; repair or replace.

- 18) Raised cracks in walk area; repair to avoid tripping.
- 19) Structure (e.g. patio cover, shed) built without permit(s) and/or unauthorized garage conversion; if zoning regulations permit (contact Development Review Services Division @ 583-4200). Obtain building permit etc., or remove structure or reconvert garage.
- 20) Deadbolt lock on the only exit door is keyed on the inside; replace lock.
- 21) Secure threshold.
- 22) Replace/paint dryrotted rafter tails.
- 23) Replace/paint dryrotted eaves/soffit.
- 24) Install eave vents.
- 25) Bus bar exposed in electrical panel; install spacers.
- 26) Replace exterior weatherproofing outlet cover.
- 27) Repair fence; replace post.
- 28) Insect or rodent infestation; hire exterminator.
- 29) Ungrounded electrical outlets; install two prong receptacles.
- 30) Circuit breakers or fuses not labeled; label correctly.
- 31) Sheetrock damaged; repair or replace and paint.
- 32) Water heater or furnace lacks adequate combustion air; unblock vent(s) or install two new vents, one each at top and bottom, minimum size 50 sq. inches per vent.

KITCHEN

- 1) Sink is cracked, chipped, or glaze worn off; repair or replace.
- 2) Sink trap defective or faucet angle stops leak; repair or replace.
- 3) Sink drains very slowly; clear drain.
- 4) Armored cable connector at disposal is loose or missing, or wire into disposal is not clamped; tighten or install connector as necessary and/or clamp wire.
- 5) Range top, oven or burner unit defective; replace.
- 6) Range exhaust fan not operating, runs slowly or filter missing; repair or replace.

- 7) Self-closer missing on door to garage; install closer.
- 8) Door to garage is not solid core; change door to 1 3/8" minimum thickness.
- 9) Defective counter top; repair.
- 10) Plastic drain assemblies (p-trap); replace with copper or metallic pipe.
- 11) Gas leak; call P.G. & E. and/or plumber; repair leak.
- 12) Window(s) cracked, lock defective, or frame broken; repair or replace.
- 13) Repair window to open.
- 14) Three prong electrical receptacles ungrounded; install equipment grounding conductor or GFCI.
- 15) Electrical switch/receptacles defective or covers missing; replace.
- 16) Dishwasher air gap missing; install.
- 17) Water heater or furnace lacks adequate combustion air; unblock vent(s) or install two new vents, one each at top and bottom, minimum size 50 sq. inches per vent.

BATHROOMS

- 1) Plastic drain assemblies (p-trap); replace with copper or metallic pipe.
- 2) Bathtub or sink drain very slowly; clear drain.
- 3) Basin is cracked, chipped, or loose; replace and/or secure as needed; caulk at rear of basin.
- 4) Toilet loose or leaks; tighten floor bolts and/or install new wax rings as needed.
- 5) Toilet tank or tank cover is cracked, chipped or broken; replace.
- 6) Defective shower door, panel(s) cracked or rollers worn; repair or replace.
- 7) Water supply valves leaking or valve handle missing (sink, tub, shower or toilet); repair or replace.
- 8) Base of shower/tub wall or floor at base of tub inadequately caulked, or tiles need to be repaired; replace or install grout or caulk as needed.
- 9) Bath fan not operating or runs slowly; repair or replace.
- 10) Ungrounded electrical outlet; install two prong receptacles.
- 11) Three prong electrical receptacles ungrounded; install equipment grounding conductor or GFCI.

- 12) Damaged subfloor/underlayment; repair.
- 13) Window(s) cracked, lock defective, or frame broken; repair or replace.
- 14) Repair window to open.
- 15) Electrical switch/receptacles defective or covers missing; replace.

BEDROOMS

- 1) Window(s) too hard to open to function as emergency access; clean track and/or install glides to open easily.
- 2) Smoke detector battery missing or defective; replace.
- 3) Bedroom window emergency egress improperly modified; replace window. Building permit required when window is reframed.
- 4) Door to garage prohibited; remove door and replace with approved wall per code. Building permit required.
- 5) Sliding doors cracked, roller worn, handle or lock defective; repair or replace.
- 6) Window(s) cracked, lock defective, frame broken; repair or replace.
- 7) Repair window to open.
- 8) Ungrounded electrical outlets require two prong receptacles.
- 9) Electrical switch/receptacles defective or covers missing; replace.
- 10) Sheetrock damaged; repair or replace and paint.

HALL/STAIRS

- 1) Stairways, treads or railings defective; repair or replace.
- 2) Smoke detector missing, battery missing or defective; replace.
- 3) Install wall heater flue to code. Mechanical permit required.

GARAGE, LAUNDRY OR HEATER ROOM

- 1) Hole or damage in one-hour fire protection wall; repair and tape all joints.
- 2) Hot water heater lacks Temperature Pressure and Relief (TPR) valve; replace.
- 3) TPR drain line is missing or non-complying. Extend 3/4" hard drawn copper or galvanized pipe to exterior pointing down 6" above grade.

- 4) Unapproved or broken gas line shut off valve to water heater or other appliance; replace.
- 5) Water heater not secured to meet seismic standards. Install one strap at top and one at bottom.
- 6) Furnace cover not correctly secured or needs approved gasline; secure cover and/or install line per code.
- 7) Water heater or furnace lacks adequate combustion air; unblock vent(s) or install two new vents, one each at top and bottom, minimum size 50 sq. inches per vent.
- 8) Fire taping or sheetrock damaged; repair.
- 9) Water heater or furnace flue(s) improperly secured; install 3 screws in each flue joint.
- 10) Gas leak; call P.G. & E. and/or plumber; repair leak.
- 11) Flammable materials improperly stored; remove.
- 12) Door between garage and living area lacks self-closing device; install closer.
- 13) Raise water heater 18" above garage floor.
- 14) Install dryer vent to exterior terminating in a damper flap.
- 15) Illegal wiring and/or extension cords; remove.

LIVING ROOM/FAMILY ROOM/DINING AREA

- 1) Sliding doors cracked, roller worn, handle or lock defective; repair or replace.
- 2) Window(s) cracked, lock defective, or frame broken; repair or replace.
- 3) Repair window to open.
- 4) Ungrounded electrical outlets require two prong receptacles.
- 5) Electrical switch/receptacles defective or covers missing; replace.
- 6) Wall heater cover loose; secure.

♦FOR QUESTIONS ABOUT THIS LIST, PLEASE CONTACT THE HOUSING INSPECTOR (SEE PAGE 2 OF LETTER).

♦PLEASE NOTE THAT PURSUANT TO CITY CODES, THE OWNER OF A RENTAL UNIT IS ONLY ALLOWED TO PULL A BUILDING PERMIT. ELECTRICAL, PLUMBING OR MECHANICAL PERMITS MUST BE PULLED BY A LICENSED CONTRACTOR.

CITY OF HAYWARD
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
Rental Inspection Program

THE ITEMS LISTED BELOW ARE **NOT** CONSIDERED CODE VIOLATIONS.

1. **Light bulbs except** where located in exterior common areas, corridors and/or those controlled by house meters.
2. **Worn carpets or other floor coverings except** when City Housing Inspector determines hole(s) or loose edge(s) is a tripping hazard.
3. **Deteriorated tub, lavatory or kitchen caulking or grout except** when City Housing Inspector determines water damage is indicated or is very likely to occur.
(Recommend owner or manager establish and enforce rule prohibiting this practice.)
4. **Items** stored or left on landings, exit balconies or in stairwells, e.g., toys, plants.
5. **Storage** of materials in private or single use water heater room or closet.
6. **Deteriorated** interior painting.
7. **Noisy** bathroom or kitchen vent fan.
8. **Dirty** range hood or vent fan.
9. **Cracking** of interior wall joint except when City Housing Inspector determines integrity of wall is compromised.
10. **Deteriorated** interior cabinetry or wood trim.
11. **Mold or mildew** in tub/shower areas or on window areas **except** if window or fan is inoperable, or wall(s) is damp.
12. **Missing** window screen or hole in screen.

EXHIBIT G

PROPOSED FEE MODIFICATIONS

REQUEST FOR EXTENSION - PRIOR TO INITIAL INSPECTION

- First extension – no charge (current procedure)
- Second extension - \$50 penalty fee

INITIAL INSPECTION/SURVEY – NO ACCESS

- First time – No charge (current procedure)
- Second time - \$50 penalty fee
- Third time - \$100 penalty fee (warning letter sent to owner)
- Fourth time - \$200 penalty fee (City Attorney sends letter/obtains inspection warrant)

REINSPECTION/PROGRESS CHECK – NO ACCESS

- First time – No charge (current procedure)
- Second time - \$50 penalty fee
- Third time - \$100 penalty fee (warning letter sent to owner)
- Fourth time - \$200 penalty fee (City Attorney sends letter/obtains warrant)

* The first item in each section represents current practice. Subsequent items are new, and reflect proposed fees.